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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/491,747	01/27/2000	Brad S. Konia	9403-0F255US0	9009

7590 04/21/2004
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EXAMINER

KARMIS, STEFANOS

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 04/21/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/491,747

Applicant(s)

KONIA, BRAD S.

Examiner

Stefano Karmis

Art Unit

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 04 February 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-23, 26 and 27 is/are pending in the application.
- 4a) Of the above claim(s) 23 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-22, 26 and 27 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☒ Claim(s) 1-23, 26 and 27 are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

1. This communication is in response to Applicant's amendment filed on 04 February 2004.

Status of Claims

2. Claims 1 and 11 have been amended in the same amendment. Claims 24-25 have been cancelled. Claims 26 and 27 have been newly added. Claim 23 has been restricted. Remaining claims have been left as originally filed and no new claims have been added. Therefore claims 1-22 and 26-27 are under prosecution in this application.

Summary of this Office Action

3. Applicant's arguments filed on 04 February 2004 have been fully considered in the next section below or within the following office action, are not deemed to be persuasive. Therefore claims 1-23 and 26-27 are rejected under the prior art cited below and Applicant's request for allowance is respectfully denied.

Response to Applicant's Amendment

4. In response to applicant's argument regarding independent claims 1 and 11 that the reference, Fisher, fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., a system or method which checks for whether a bidder's bid is too high for a specific position of priority or ranking that a bidder wishes to

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maintain in an auction) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

5. Applicant further contests that Fisher fails to disclose a system or method which automatically decrements or lowers a bid if the bid is found to be higher than needed to maintain a selected position of priority or ranking in an auction. However, Fisher clearly discloses placing a bid price not to exceed (Figure 3) and then automatically places a bid, decreased from the bid or proxy limit that user has set, to the minimum required to maintain the desired position for leading the auction (column 9, lines 17-35 and column 12, line 63 thru column 13, line 8).

Election/Restrictions

6. Restriction to one of the following inventions is required under 35 U.S.C. 121:

I. Claims 1-22 and 26-27 are drawn to a method and system for managing a buyer driven auction.

II. Claim 23 is drawn to a method for managing a seller driven auction.

7. Inventions I and II are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct from each other if they are shown to be

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separately usable. In the instant case, invention II has separate utility such as a seller driven method. See MPEP § 806.05(d).

8. During a telephone conversation with Attorney Ivan Posey on April 07, 2004, a provision election was made without traverse to prosecute the invention of group I, regarding claims 1-22 and 26-27. Applicant must make affirmation of this election in responding to this Office Action. Claim 23 is withdrawn from further consideration by the Examiner, 37 CFR 1.142(b), as being drawn to a non-elected invention. Applicant is respectfully requested to cancel claim 23 in response to this Office Action.

9. Because these inventions are distinct for the reasons given above and have acquired a separate status in the art as shown by their different classification, restriction for examination purposes as indicated is proper.

Claim Rejections - 35 USC § 102

10. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

11. Claims 1-3, 11-13 and 22-25 are rejected under 35 U.S.C. 102(b) as being anticipated by Fisher et al. (hereinafter Fisher) U.S. Patent 5,835,896.

Regarding independent claims 1 and 11, Fisher discloses a method and system for processing and transmitting electronic auction information comprising receiving bid management data from a first bidder for managing bidding by the bidder in the auction the received bid management information including a selected position of priority (column 6, lines 31-45); checking for if a second bidder hold the selected position of priority, and checking for whether a first bid from the first bidder exceeds a second bid from a second bidder in an auction for determining continuing priority for providing an ongoing service for the first and second bidder, wherein the relative priority for the providing service for the first bidder is dependent on whether the value of the first bid exceeds the value of the second bid, and wherein the relative priority for providing the service for the second bidder is dependent on whether the value of the second bid exceeds the value of the first bid (column 10, lines 6-28 and column 11, lines 21-43); according to the bid management data received from the first bidder, automatically incrementing

the first bid to a value exceeding the second bid if the first bid does not exceed the second bid, thereby causing the relative priority for providing service for the second bidder (column 9, lines 18-35); and a database electrically connected to the processor for storing first and second bids (column 6, lines 39-45 and Figure 4); and automatically reducing the first bid to a minimum which allows the bidder to keep the selected position of priority if the first bid exceeds a value needed to maintain the selected position of priority (column 9, lines 17-35 and Figure 3 and column 12, line 63 thru column 13, line 8).

Claims 2 and 12, the step of checking and incrementing bids is executed a plurality of times (column 9, lines 18-35).

Claims 3 and 13, the step of checking and incrementing pauses for a period of time between each series of steps (column 9, lines 18-35).

Regarding independent claim 23, Fisher discloses a method and system for processing and transmitting electronic auction information comprising receiving bid management data from a first vendor for managing bidding by the vendor in the auction (column 10, lines 40-62); a processor for checking for whether a first bid from the first vendor is lower than a second bid from a second vendor in an auction for determining continuing priority for providing an ongoing service for the first and second vendor, wherein the relative priority for the providing service for the first vendor is dependent on whether the value of the first bid is lower than the value of the second bid, and wherein the relative priority for providing the service for the second vendor is

dependent on whether the value of the second bid is lower than the value of the first bid (column 10, lines 40 thru column 11, line 20); according to the bid management data received from the first vendor, automatically decreasing the first bid to a value lower than the second bid if the first bid does not exceed the second bid, thereby causing the relative priority for providing service for the second bidder (column 12, line 63 thru column 13, line 24); and a database electrically connected to the processor for storing first and second bids (column 6, lines 39-45 and Figure 4).

Claim 26, executing a plurality of times the step of automatically reducing the first bid to a minimum which allows the bidder to keep the selected position of priority if the first bid exceeds a value needed to maintain the selected position of priority (column 9, lines 17-47 and Figure 3 and Figure 8).

Claim 27, executing a plurality of times the step of automatically reducing the first bid to a minimum which allows the bidder to keep the selected position of priority if the first bid exceeds a value needed to maintain the selected position of priority (column 9, lines 17-47 and Figure 3 and Figure 8).

Claim Rejections - 35 USC § 103

12. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

13. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

14. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

15. Claims 4-8 and 14-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fisher et al. (hereinafter Fisher) U.S. Patent 5,835,896 in view of Davis et al. (hereinafter Davis) U.S. Patent 6,269,361.

Claims 4 and 8, Fisher teaches a method and system for processing and transmitting electronic auction information for purchasing of merchandise. Fisher fails to specify the service

customers are bidding on comprises ranking of hypertext links to web pages in search results in an on-line web page search engine. Davis teaches a system and method for ranking of hypertext links to web pages in search results in an on-line web page search engine (column 5, lines 1-34). Therefore it would be obvious to someone of ordinary skill in the art, that the auctioning techniques taught by Fisher could be modified to include bidding to rank hypertext links to web pages in search results because it is merely a specific type of item or service being auctioned. There is sufficient motivation to combine the teachings of Fisher and Davis, both inventors describe systems and methods for performing on-line bidding by a customer for merchandise or a service.

Claims 5 and 15, Davis teaches ranking of a first hypertext link to a first web page for the first bidder is higher then the ranking of a second hypertext link to a second web page for the second bidder if the first bid is higher than the second (column 5, lines 35-52).

Claims 6 and 16, Davis teaches placing bids on a plurality of search terms which may be typed into the search engine by search engine users wherein different ranking is determined for each search term (column 4, lines 10-25).

Claims 7 and 17, Davis teaches ranking of a first hypertext link to a first web page for the first bidder is higher then the ranking of a second hypertext link to a second web page for the second bidder if the first bid is higher than the second for each of the plurality of search terms (column 5, lines 35-52).

Claims 8 and 20, Davis teaches the step of checking and incrementing is executed for a plurality of search engines for a plurality of search terms (column 4, line 10-48).

Claims 18-19, Davis teaches a plurality of servers electrically connected to a network and a plurality of search engines on the plurality of servers (column 7, lines 33-67 and Figure 1).

16. Claims 9-10 and 21-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fisher et al. (hereinafter Fisher) U.S. Patent 5,835,896 in view of Wallman U.S. Patent 6,601,044.

Claims 9-10 and 21-22, Fisher teaches a method and system for processing and transmitting electronic auction information for purchasing of merchandise. Fisher fails to specify the service customers are golf course tee-off times and airline reservations. Wallman teaches a system and method for the trading of commodities including golf course tee-off times and airline reservations (column 19, lines 30-40). Therefore it would be obvious to someone of ordinary skill in the art that the auctioning techniques taught by Fisher could be modified to include tee-off times and airline reservations as taught by Wallman because it is merely a specific type of item or service being auctioned. There is sufficient motivation to combine the teachings of Fisher and Wallman, since both inventors describe systems and methods for performing on-line trading by a customer for merchandise or a service.

Conclusion

17. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

a) Cheung et al., US Publication 2002/0169760 Nov. 14, 2002. System and method for providing place and price protection in a search result list generated by a computer network search engine.

18. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Stefano Karmis whose telephone number is (703) 305-8130. The examiner can normally be reached on M-F: 8-5.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (703) 308-1065. The fax phone number for the organization where this application or proceeding is assigned is (703) 305-7687.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 306-1113.

Respectfully Submitted
Stefano Karmis
April 7, 2004



**HANI M. KAZIMI
PRIMARY EXAMINER**